

STATE OF ALABAMA

COUNTY OF _____

SUBORDINATION AGREEMENT

THIS AGREEMENT made this the ____ day of _____, 20____ by and between _____ hereinafter referred to as "Debtor", and _____ hereinafter referred to as "Lender":

WITNESSETH

WHEREAS, Lender is the owner and holder of a promissory note in the original amount of _____ dollars (\$_____), dated _____ from Debtor; and

WHEREAS, Debtor has requested Lender to subordinate its/his/her rights to payment pursuant to the note to certain liabilities of the Debtor for purposes of the Alabama Preneed Funeral and Cemetery Act, Ala. Code §§ 27-17A-1 et seq., and Alabama Insurance Department Regulation 482-3-003;

NOW, THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by Lender, Lender and Debtor agree as follows:

The rights of Lender to payment of the indebtedness evidenced by the note shall be inferior and subordinate to all claims and rights of the purchasers and/or beneficiaries of all preneed contracts to which Debtor is a party, the Alabama Department of Insurance, and/or the chief of the Receivership Division of the Alabama Department of Insurance in the aggregate amount of _____ dollars (\$_____).

This Subordination Agreement shall remain in full force and effect without any modification or amendment whatsoever until such time as the equity shown in the annual financial statements of the Debtor as filed with the Alabama Insurance Department for a preneed certificate of authority is equal to or exceeds the requirements of Alabama Preneed Regulation 482-3-003, without inclusion of this Subordination Agreement as a part of that equity.

By: _____

Its: President

By: _____

Its: Primary Member

STATE OF ALABAMA

COUNTY OF _____

I, _____, a Notary Public in and for said county in said state, hereby certify that _____, whose name as of Primary Member of _____, a limited liability corporation, is signed to the foregoing Subordination Agreement, and who is known to me, acknowledged before me on this day that, being informed of the contents of the above and foregoing Subordination Agreement, he/she, as such officer and with full authority, executed the same voluntarily for and as the act of said corporation on the day and date below written.

Given under my hand and seal of office this ____ day of _____, 20____.

NOTARY PUBLIC

(COMMISSION EXPIRES)

STATE OF ALABAMA

COUNTY OF _____

Before me, the undersigned authority, a Notary Public in and for the said county in said state, personally appeared _____ who is known to me and who having been first duly sworn, deposes and states that he/she executed the foregoing Subordination Agreement voluntarily on the day and date above written.

Given under by hand and seal of office this ____ day of _____, 20____.

NOTARY PUBLIC

(COMMISSION EXPIRES)